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8	Attorneys for Complainant				
9	BEFORE THE				
10	VETERINARY MEDICAL BOARD DEPARTMENT OF CONSUMER AFFAIRS				
11	STATE OF CAL	IFORNIA			
12	In the Matter of the Accusation Against:	Case No. AV 2006 19			
13	JAMES C. COGHLAN, DVM				
14					
15	Santa Ana, CA 92706	ACCUSATION			
16	Veterinarian License No. 9742 Premise Permit No. 4414	·			
17	Respondent.				
18	Kespondent.				
19					
20	Complainant alleges:				
21	<u>PARTIES</u>				
22	Susan M. Geranen (Complainant) brings this Accusation solely in her				
23	official capacity as the Executive Officer of the Veterinary Medical Board, Department of				
24	Consumer Affairs.				
25	2. On or about September 1, 198	7, the Veterinary Medical Board issued			
26	Veterinarian License Number 9742 to James C. Cog.	hlan (Respondent). The License was in full			
27	force and effect at all times relevant to the charges brought herein and will expire on June 30,				
28	2008, unless renewed.				

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3. On or about November 20, 1990, the Veterinary Medical Board issued Premise Permit Number 4414 to West 17<sup>th</sup> Street Animal Hospital, James Coghlan, Managing Licensee. The Premise Permit was in full force and effect at all times relevant to the charges brought herein and will expire on May 15, 2008, unless renewed.

#### STATUTORY PROVISIONS

- 4. This Accusation is brought before the Veterinary Medical Board (Board),
  Department of Consumer Affairs, under the authority of the following laws. All section
  references are to the Business and Professions Code ("Code") unless otherwise indicated.
  - 5. Section <u>125.3</u> of the Code provides in pertinent part that:

In any order issued in resolution of a disciplinary proceeding before any board within the department, the board may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

6. Section <u>490</u> of the Code states, in pertinent part:

A board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.

7. Section <u>493</u> of the Code states, in pertinent part:

Notwithstanding any other provision of law, in a proceeding conducted by a board within the department pursuant to law to deny an application for a license or to suspend or revoke a license or otherwise take disciplinary action against a person who holds a license, upon the ground that the applicant or the licensee has been convicted of a crime substantially related to the qualifications, functions, and duties of the licensee in question, the record of conviction of the crime shall be conclusive evidence of the fact that the conviction occurred, but only of that fact, and the board may inquire into the circumstances surrounding the commission of the crime in order to fix the degree of discipline or to determine if the conviction is substantially related to the qualifications, functions, and duties of the licensee in question.

- 8. Section <u>4059</u> of the Code states, in pertinent part:
- (a) A person may not furnish any dangerous drug, except upon the prescription of a physician, dentist, podiatrist, optometrist, veterinarian, or naturopathic doctor pursuant to Section 3640.7.

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#### 9. Section 4081 of the Code states, in pertinent part:

- (a) All records of manufacture and of sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every manufacturer, wholesaler, pharmacy, veterinary food-animal drug retailer, physician, dentist, podiatrist, veterinarian, laboratory, clinic, hospital, institution, or establishment holding a currently valid and unrevoked certificate, license, permit, registration, or exemption under Division 2 (commencing with Section 1200) of the Health and Safety Code or under Part 4 (commencing with Section 16000) of Division 9 of the Welfare and Institutions Code who maintains a stock of dangerous drugs or dangerous devices.
- (b) The owner, officer, and partner of a pharmacy, wholesaler, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge or representative-in-charge, for maintaining the records and inventory described in this section.

#### 10. Section <u>4342</u> of the Code states, in pertinent part:

- (a) The board may institute any action or actions as may be provided by law and that, in its discretion, are necessary, to prevent the sale of pharmaceutical preparations and drugs that do not conform to the standard and tests as to quality and strength, provided in the latest edition of the United States Pharmacopoeia or the National Formulary, or that violate any provision of the Sherman Food, Drug and Cosmetic Law . . . .
- (b) Any knowing or willful violation of any regulation adopted pursuant to Section 4006 shall be subject to punishment in the same manner as is provided in Sections 4336 [dangerous drugs by use of a minor as an agent a felony] and 4321 [knowing violation of chapter a misdemeanor.]

#### 11. Section 4809.5 of the Code states:

The board may at any time inspect the premises in which veterinary medicine, veterinary dentistry, or veterinary surgery is being practiced.

#### 12. Section 4846.4 of the Code states:

- (a) Each individual licensed by the board shall biennially apply for renewal of his or her license or registration on or before the last day of the applicant's birthday month. The application shall be made on a form provided by the board.
- (b) The application shall contain a statement to the effect that the applicant has not been convicted of a felony, has not been the subject of professional disciplinary action taken by any public agency in California or any other state or territory, and has not violated any of the provisions of this chapter. If the applicant is unable to make that statement, the application shall contain a statement of the conviction, professional discipline, or violation.
- (c) The board may, as part of the renewal process, make necessary inquiries of the applicant and conduct an investigation in order to determine if cause for disciplinary action exists.

1	(o) Violation, or the assisting or abetting violation, of any regulations adopted by				
2	the board pursuant to this chapter [the Veterinary Medicine Practice Act].				
3	20. Section <u>4885</u> of the Code states, in pertinent part:				
4	A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge of a felony or of any offense related to				
5	the practice of veterinary medicine is deemed to be a conviction within the meaning of this article.				
6					
7	21. Section <u>11240</u> of the Health and Safety Code states:				
8	"No veterinarian shall prescribe, administer, or furnish a controlled substance for				
9	himself or any other human being."				
10	22. Section <u>12500</u> of the Vehicle Code states, in pertinent part:				
11	(a) A person may not drive a motor vehicle upon a highway, unless the person then holds a valid driver's license				
12	23. Section <u>23152</u> of the Vehicle Code states, in pertinent part:				
14	(a) It is unlawful for any person who is under the influence of any alcoholic beverage or drug, or under the combined influence of any alcoholic beverage and drug, to drive a vehicle.				
15 16 17 18 19	(b) It is unlawful for any person who has 0.08 percent or more, by weight, of alcohol in his or her blood to drive a vehicle. For purposes of this article and Section 34501.16, percent, by weight, of alcohol in a person's blood is based upon grams of alcohol per 100 milliliters of blood or grams of alcohol per 210 liters of breath. In any prosecution under this subdivision, it is a rebuttable presumption that the person had 0.08 percent or more, by weight, of alcohol in his or her blood at the time of driving the vehicle if the person had 0.08 percent or more, by weight, of alcohol in his or her blood at the time of the performance of a chemical test within three hours after the driving.				
20 21	24. California Code of Regulations, Title 16 ("CCR") section <u>2030</u> , states in pertinent part:				
22	All fixed premises where veterinary medicine and its various branches are being practiced, and all instruments, apparatus and apparel used in connection with				
23	those practices, shall be kept clean and sanitary at all times and shall conform to or possess the following minimum standards:				
25	(d) If animals are housed as retained for treatment the following shall be				
26	(d) If animals are housed or retained for treatment, the following shall be provided:				
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1 2 3		(3) If there are to be no personnel on the premises during any time an animal is left at the veterinary facility, prior written notice of this fact shall be given to the client. For purposes of this paragraph, prior written notice may be accompanied by posting a sign in a place and manner conspicuous to the clients of the premises, stating that there may be times when there is no personnel on the premises.			
4 5		(e) When a veterinary premises is closed, a sign shall be posted at the entrance with a telephone number and location where pre-arranged veterinary care is available. An answering machine or service shall be used to notify the public			
6	1 11	when the veterinary premises will be re-opened and where pre-arranged veterinary care is available. If no after hours emergency care is available, full disclosure			
7	shall	be provided to the public prior to rendering services.			
8		(f) The veterinary premises shall meet the following standards:			
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10		(6) All drugs and biologicals shall be maintained, administered, dispensed and prescribed in compliance with state and federal laws.			
11					
12		(g) A veterinary premises which provides aseptic surgical services shall			
13		comply with the following:			
14		(1) A room, separate and distinct from all other rooms shall be reserved for aseptic surgical procedures which require aseptic preparation. Storage in the			
15		surgery room shall be limited to items and equipment normally related to surgery and surgical procedures. A veterinarian may perform emergency aseptic surgical			
16	procedures in another room when the room designed for aseptic surgery is occupied or temporarily unavailable.				
17		25. California Code of Regulations, Title 16 ("CCR") section 2032.2, states:			
18		(a) A written order, by a veterinarian, for dangerous drugs, as defined			
19		by Section 1747.1, Title 16, California Code of Regulations, shall include the following information:			
20		(1) The name, signature, address and telephone number of the			
21		prescribing veterinarian.  (2) The veterinarian's license number and his or her federal			
22		registry number if a controlled substance is prescribed.  (3) The name and address of the client.			
23		(4) The species and name, number or other identifying information for the animal.			
24		<ul> <li>(5) The name, strength, and quantity of the drug(s).</li> <li>(6) Directions for use, including, if applicable, withdrawal time.</li> </ul>			
25		(7) Date of issue. (8) The number of refills.			
26	///	(b) The number of remis.			
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1	(b) All drugs dispensed shall be labeled with the following information:				
2		(1) (2)	Name, address and telephone number of the facility. Client's name.		
4	for	(3)	The species and name, number, or other identifying information		
5	101	(4)	the animal. Date dispensed.		
6		(5) (6)	Directions for use, including, if applicable, withdrawal time.  The manufacturer's trade name of the drug or the generic names,		
7		, ,	strength (if more than one dosage form exists), and quantity of drug, and the expiration date when established by the		
8		(7)	manufacturer. Name of prescribing veterinarian.		
9	26.	Code	of Federal Regulations, Title 21 ("CFR") section 1301.75, states in		
10	pertinent part:				
11	(a) Controlled substances listed in Schedule I shall be stored in a securely locked, substantially constructed cabinet.				
12	(b) Controlled substances listed in Schedules II, III, IV, and V shall be				
13	stored in a securely locked, substantially constructed cabinet. However, pharmacies and institutional practitioners may disperse such substances throughout the stock of				
14	noncontrolled substances in such a manner as to obstruct the theft or diversion of the controlled substances.				
15	27.	Code	of Federal Regulations, Title 21 ("CFR") section 1304.22, provides		
16	in pertinent part:				
17	Each person registered or authorized to distribute or dispense controlled				
18	substances shall maintain records with specific information.				
19			INSPECTION - AUGUST 12, 2003		
20	28.	On De	ecember 27, 2002, the Veterinary Medical Board received a		
21   22	telephone call from T.T., a pharmacist at Savon Pharmacy in Santa Ana, stating that she had a				
23	concern about the amount of Tylenol Codeine IV that was being ordered by Respondent.				
24	29.	On Au	igust 12, 2003, J.V., DVM, a Veterinary Medical Board consultant,		
25	who is a licensed do	ctor of v	eterinary medicine, performed a complaint-related inspection of		
26	Respondent's premises, 17 <sup>th</sup> Street Animal Hospital. Senior Investigator S.C. with the Division				
27	of Investigation also participated in the inspection of Respondent's facility on August 12, 2003.				
28	30.	The Bo	oard requested that Dr. J.V. audit Respondent's control drug		
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monthly by Respondent. Dr. H found that Respondent used far fewer amounts of controlled substances each month than he purchased. Dr. H also found that Respondent's usage of controlled substances was much higher than average. In addition, Respondent ordered a far wider range of various controlled substances than most practitioners would use. Respondent ordered many controlled substances that are rarely used in veterinary medicine.

42. Dr. H concluded that it was apparent that Respondent was diverting controlled substances either through personal use or through illegal sales.

#### **FOLLOW UP INSPECTION - APRIL 26, 2004**

- 43. On April 26, 2004, K.H., DVM, a Veterinary Medical Board consultant, who is a licensed doctor of veterinary medicine, performed a follow up inspection. Senior Investigator S.C. and Supervising Investigator F.M. with the Division of Investigation also participated in the follow up inspection of Respondent and his facility on April 26, 2004.
- 44. The investigation revealed that Respondent was out of compliance with statutes, rules, and regulations in several areas as follows:
- 45. Respondent failed to reconcile his drug inventory to his controlled substance log.
  - 46. Respondent had his autoclave in his surgical suite.
  - 47. Respondent had expired medications on the shelves.
  - 48. Respondent's controlled substances were not properly secured.
- 49. Respondent failed to properly account for his controlled substances.

  Respondent kept his accounting of controlled substances on small scraps of paper and on preprinted forms that failed to contain usage amounts and remaining balances.

#### **SEARCH WARRANT - SEPTEMBER 2004**

- 50. On October 28, 2002, the Veterinary Medical Board received a telephone call from the Board of Equalization informing them that S.G., an unlicensed person, was selling veterinary prescription drugs on eBay.
- 51. The Division of Investigation conducted an investigation of S.G. and learned that several veterinarians were supplying him with veterinary products. Respondent was

one of the veterinarians discovered to be supplying S.G. with veterinary products.

- 52. On July 14, 2003, the Veterinary Medical Board received a complaint from the Food and Drug Administration (FDA) that consumers purchased misbranded flea products that were illegally imported and were causing adverse reactions in cats. The products were traced back to S.G.
- 53. On September 24, 2004, the Division of Investigation served a search warrant on S.G.'s residence. The Division of Investigation learned that S.G. was ordering veterinary products using various veterinarians' names and license numbers. S.G. gave the veterinarians a "cut" of the money for allowing him to do this.
- 54. The investigation revealed that Respondent was receiving money from S.G.
- 55. The documents reviewed in this investigation revealed that Respondent furnished S.G. with veterinary, dangerous drugs outside the veterinarian-client-patient relationship.

#### APPLICATIONS FOR RENEWAL

- 56. Respondent is required to biennially apply for renewal of his license pursuant to section 4846.4 of the Business and Professions Code. Section 4846.4 also requires that Respondent's application for renewal contain a statement that he has not been convicted of a felony. If Respondent is unable to make that statement, section 4846.4 requires that Respondent submit a statement of the conviction with the application.
- 57. In Respondent's June 14, 2004 application for renewal, he failed to state that he was convicted on April 21, 2004 of a violation of Vehicle Code section 23152 (b), for driving while under the influence of drugs or alcohol with 0.08 percent or more by weight of alcohol in his blood.
- 58. In Respondent's June 27, 2006 application for renewal, he failed to state that he was convicted on August 3, 2004 of a violation of Vehicle Code section 12500 (a), driving without a license.

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#### FIRST CAUSE FOR DISCIPLINE

(August 3, 2004 Criminal Conviction -Driving While Under the Influence of Alcohol or Drugs on October 30, 2003)

- Number 4414 are subject to disciplinary action under Code sections 490, 4875, and 4883(a) in that Respondent was convicted of a crime that is substantially related to his qualifications as a veterinarian. On or about August 3, 2004, in the Superior Court for the County of Orange, Newport Beach Facility in a case entitled *People vs. James Christian Coghlan* (Sup. Ct., Orange County, 2004, Case No. 04HM00339), Respondent pled guilty to a violation of Vehicle Code section 23152 (b), Driving While Under the Influence of Drugs or Alcohol with 0.08 percent or more by weight of alcohol in his blood. The circumstances of the conviction are as follows:
- 60. On or about October 30, 2003, Respondent was arrested for driving a vehicle while under the influence of alcohol and drugs.
- Pursuant to the Plea Agreement, on or about August 3, 2003, Respondent was sentenced to three (3) years probation, fines, and other terms and conditions.

#### SECOND CAUSE FOR DISCIPLINE

(April 21, 2004 Criminal Conviction - Driving Without a License on February 18, 2004)

62. Respondent's Veterinarian's License Number 9742 and Premise Permit Number 4414 are subject to disciplinary action under Code sections 490, 4875, and 4883 (a) in

that Respondent was convicted of a crime that is substantially related to his qualifications as a

veterinarian. On or about April 21, 2004, in the Superior Court for the County of Orange,

Harbor Justice Center, Laguna Niguel Facility in a case entitled People vs. James Christian

Coghlan

(Sup. Ct., Orange County, 2004, Case No. 04SM01636), Respondent pled guilty to a violation of

Vehicle Code section 12500 (a), Driving Without a License. The circumstances of the

conviction are as follows:

- 63. On or about February 18, 2004, Respondent was arrested for driving a vehicle when his driver's privilege was suspended and revoked and when he had knowledge of such suspension and revocation. Respondent was also arrested for unlawfully and falsely representing and identifying himself to a peace officer upon a lawful detention and arrest, in order to evade the process of the court and to evade proper identification by the investigating officer. Respondent was additionally arrested for failing to maintain insurance or proof of financial responsibility for said vehicle when requested to do so.
- 64. Pursuant to the Plea Agreement, on or about April 21, 2004, Respondent was sentenced to pay fines.

#### THIRD CAUSE FOR DISCIPLINE

#### (Furnishing Dangerous Veterinary Drugs Outside the Veterinarian/Client/Patient Relationship)

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65. Respondent's Veterinarian's License Number 9742 and Premise Permit Number 4414 are subject to disciplinary action under Code sections 4875 and 4883 (g)(3) in that Respondent violated statutes, rules, and regulations regarding dangerous drugs and controlled substances when he furnished veterinary and dangerous drugs outside the veterinarian/client patient relationship in violation of California Code of Regulations Section 2032.2 as set forth in paragraphs 51 and 55 above.

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#### FOURTH CAUSE FOR DISCIPLINE

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### (Failure to Keep Accounting of Controlled Substances)

Respondent's Veterinarian's License Number 9742 and Premise Permit

Number 4414 are subject to disciplinary action under Code sections 4081 and 4883 in that 22 23 24

66.

Respondent violated statutes, rules, and regulations regarding dangerous drugs and controlled substances when he failed to keep an accounting or drug log of controlled substances and drugs

kept at his facility as required by Code section 4081 as set forth in paragraph 31 above.

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/// 1 2 111 3 FIFTH CAUSE FOR DISCIPLINE (Failure to Display License) 4 67. 5 Respondent's Veterinarian's License Number 9742 and Premise Permit 6 Number 4414 are subject to disciplinary action under Code sections 4850 and 4883 in that 7 Respondent failed to display a copy of his Veterinarian's License in his principal place of 8 business as required by Code section 4850 as set forth in paragraph 32 above. 9 SIXTH CAUSE FOR DISCIPLINE 10 (Failure to Post Notice of No Staff on Premises after Hours) 11 68. Respondent's Veterinarian's License Number 9742 and Premise Permit 12 Number 4414 are subject to disciplinary action under Code section 4883 and California Code of 13 Regulations (CCR) section 2030(d)(3) in that Respondent failed to post the required notice in his 14 office that he did not have any staff on the premises after hours as required by CCR section 15 2030(d)(3) as set forth in paragraph 33 above. 16 SEVENTH CAUSE FOR DISCIPLINE 17 (Failure to Post Referral for Emergency Treatment After Hours) 18 69. Respondent's Veterinarian's License Number 9742 and Premise Permit 19 Number 4414 are subject to disciplinary action under Code section 4883 and CCR section 20 2030(e) in that Respondent failed to have a posted referral for emergency treatment after hours 21 as required by CCR section 2030(e) as set forth in paragraph 34 above. 22 EIGHTH CAUSE FOR DISCIPLINE 23 (Expired Drugs) 70. 24 Respondent's Veterinarian's License Number 9742 and Premise Permit 25 Number 4414 are subject to disciplinary action under Code sections 4883 and 4342 and CCR 26 section 2030(f)(6) in that Respondent kept numerous drugs on the shelves in his work area that 27 were expired in violation of Code section 4342 and CCR section 2030(f)(6) as set forth in 28 paragraphs 35 and 47 above.

#### NINTH CAUSE FOR DISCIPLINE

#### (Failure to Document Amounts of Controlled Substances)

71. Respondent's Veterinarian's License Number 9742 and Premise Permit Number 4414 are subject to disciplinary action under Code sections 4883 and 4081 in that Respondent violated statutes, rules, and regulations regarding dangerous drugs and controlled substances when he failed to document the amounts of controlled substances given on patient charts in violation of section 4081 as set forth in paragraph 36 above.

#### TENTH CAUSE FOR DISCIPLINE

#### (Incomplete and Inaccurate Controlled Substances Logs)

72. Respondent's Veterinarian's License Number 9742 and Premise Permit Number 4414 are subject to disciplinary action under Code sections 4883 and 4081 in that Respondent violated statutes, rules, and regulations regarding dangerous drugs and controlled substances when he failed to keep complete and accurate controlled substances logs in violation of section 4081 as set forth in paragraphs 40, 45, and 49 above.

#### **ELEVENTH CAUSE FOR DISCIPLINE**

#### (Abnormal Use of Controlled Substances in Violation of Code Section 4883)

73. Respondent's Veterinarian's License Number 9742 and Premise Permit Number 4414 are subject to disciplinary action under Code section 4883 in that Respondent violated statutes, rules, and regulations regarding dangerous drugs and controlled substances when he used far fewer amounts of controlled substances each month than he purchased. In addition, Respondent's usage of controlled substances was much higher than average.

Respondent ordered a far wider range of various controlled substances than most practitioners would use. Respondent also used many controlled substances that are rarely used in veterinary medicine. These actions violate section 4883 as set forth in paragraph 41 above.

#### TWELFTH CAUSE FOR DISCIPLINE

(Failure to Reconcile Drug Inventory to Controlled Substances Log)

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3	SIXTEENTH CAUSE FOR DISCIPLINE				
4	(Failure to Report Convictions on Renewal Applications)				
5	78. Respondent's Veterinarian's License Number 9742 and Premise Permit				
6	Number 4414 are subject to disciplinary action under Code sections 4846.4, 4883, and 4885 in				
7	that Respondent failed to report his April 21, 2004 conviction on his June 14, 2004 renewal				
8	application as set forth in paragraph 57 above.				
9	79. Respondent's Veterinarian's License Number 9742 and Premise Permit				
10	Number 4414 are subject to disciplinary action under Code sections 4846.4, 4883, and 4885 in				
11	that Respondent failed to report his August 3, 2004 conviction on his June 27, 2006 renewal				
12	application as set forth in paragraph 58 above.				
13	<u>PRAYER</u>				
14	WHEREFORE, Complainant requests that a hearing be held on the matters herein				
15	alleged, and that following the hearing, the Veterinary Medical Board issue a decision:				
16	1. Revoking or suspending Veterinary Number 9742 issued to James				
17	Coghlan, DVM.				
18	2. Revoking or suspending Premise Permit Number 4414, issued to West 17 <sup>th</sup>				
19	Street Animal Hospital, James Coghlan, DVM, Managing Licensee.				
20	3. Ordering James Coghlan, DVM to pay the Veterinary Medical Board the				
21	reasonable costs of the investigation and enforcement of this case, pursuant to Business and				
22	Professions Code section 125.3;				
23	4. Taking such other and further action as deemed necessary and proper.				
24	DATED: 8/1/08				
25					
26	SUSAN M. GERANEN				
27	Executive Officer  Veterinary Medical Board				
28	Department of Consumer Affairs				